

TheStar
SAYS

Getting carried away with investment schemes

IT appears that some of us can be sceptical about anything except the promise of great investment profits. Although these people automatically dismiss every official statement as spin or a lie, they are willing to believe that those with unproven abilities and fuzzy methods can extract strong and steady returns from unpredictable markets.

These cynics are likely to buy every conspiracy theory out there, yet they see no reason to stay away from "surefire" investment schemes.

What is more remarkable is that they are often instrumental in influencing family and friends to put money into these schemes, thinking that they are sharing valuable infor-

mation with their loved ones.

Malaysia has no shortage of investment ventures that offer unrealistically high and consistent gains. Most have turned out to be scams that were never built to last long.

These usually work on the basis that each new investor would bring in cash that would be used to pay the dividends or profits of the investors that had joined earlier.

The actual investment operations – if there were any – would never generate enough income to sustain regular payments to investors.

This illusion of successful investing relies heavily on getting people to join the schemes and on persuading existing members to keep

investing. Eventually, the music stops and the party ends, but not without first claiming victims.

After some time, the pool of new investors dries up. Without the inflow of fresh funds, the schemes collapse. In many cases, the operators went missing and the investors, particularly the latecomers, became poorer and hopefully wiser.

The thing is, others do not seem to learn from these episodes.

The ongoing JJPTR saga tells us that people are willing to set aside caution as they cannot resist the idea of receiving the extraordinary 20% monthly returns from the troubled foreign exchange trading scheme.

The founder claimed that the

scheme lost RM500mil after JJPTR accounts were hacked. He said he planned to repay new investors by mid-May.

At this point, we do not know if the scheme has any element of fraud and whether it will resume, but there is zero comfort in the fact that three forex trading entities linked to JJPTR are on Bank Negara's latest list of companies and websites that are not authorised or approved under the laws and regulations administered by the central bank.

Despite this financial consumer alert, many people saw no issue with investing in the JJPTR scheme. But they will be very anxious as they wait for signs that their money

is safe.

In July last year, Inspector-General of Police Tan Sri Khalid Abu Bakar warned against get-rich-quick scams, saying that there "is no free lunch in the real world".

"If it looks too good to be true, it probably is," he added.

These are cliches because they have been used again and again and have lost their impact. But if more people begin to heed these words, perhaps we will hear them less. And that would be a good thing.



For more stories:
See pages 4 & 6

BN will continue to deliver, says PM

'We care about the needs of all communities'

By RAZAK AHMAD
razak@thestar.com.my

KUALA LUMPUR: Barisan Nasional has proven that it delivers and will continue to look after the interests of all communities, said the Prime Minister.

Datuk Seri Najib Tun Razak also rubbished claims that the Malaysian Indian Blueprint (MIB) was just empty talk.

Speaking at the handing over ceremony to 700 buyers of the Residensi Pandanmas apartments, an affordable housing project at Kampung Pandanmas here, Najib said the project also involved the relocation of about 300 mostly Indian squatters here.

Each of the squatter families will get a full loan from the Government to purchase apartments which will be built near Residensi Pandanmas.

"This project also involves a resettlement programme for the mostly Indian squatters here who cannot afford to pay a 10% deposit. So, we are giving them 100% loans.

"Coincidentally, I also launched the Malaysian Indian Blueprint on Sunday, so today it is proven that the blueprint is not just empty talk but proof that looking after all communities is a commitment of Barisan Nasional," said Najib, who is Barisan chairman.

Najib on Sunday launched the MIB, the most significant government programme yet in aid of the country's third largest ethnic group.

Among the measures in the 10-year MIB blueprint are a RM500mil unit trust seed fund to be set up by Permodalan Nasional Bhd and a RM500mil revolving fund by the Government to help Indian businesses.

"With this project's completion, it is very clear that the Government cares about people's need for more comfortable and affordable housing," said Najib.



For the people: Najib signing the official opening plaque during the Residensi Pandanmas handing over ceremony as Tan (right) and Federal Territories Minister Datuk Seri Tengku Adnan Tengku Mansor (third from right) look on.

The Residensi Pandanmas project is part of the Federal Territories Housing Scheme (Rumawip), a strategic partnership between Kuala Lumpur City Hall and private developers to build affordable homes for low- and middle-income earners in the Klang Valley.

The project, which was built by developer Aset Kayamas Sdn Bhd, comprises 700 units of three-bedroom apartments of 850sq ft and 900sq ft sold to first-time house buyers.

The units are sold at RM280,000 and RM300,000 per unit respectively, which Najib said was well below the RM500,000 to RM700,000 market price for a project near the city centre.

The Prime Minister said helping the bottom 40% (B40) and middle 40% (M40) households get access to affordable housing would continue to be a high priority for the Government.

"The Government will also focus on the cost of living and infrastructure such as public transport, and believes that if we give our priority to these areas, then most of the people in Kuala Lumpur will continue to place their trust in us," he added.

Najib also praised project developer Aset Kayamas and its chairman Tan Sri Chai Kin Kong for completing Residensi Pandanmas nine months ahead of schedule.

The Prime Minister urged the company to keep up its track record with the second phase of the project, Residensi Pandanmas 2, which will comprise 1,920 apartment units.

Watch the video
thestartv.com



Ciggies and liquor worth millions seized

> FROM PAGE 1

16 containers and 48,000 crates of beer and liquor worth over RM26mil.

He said a team of enforcement officers found 14 containers with beer and liquor at a yard at PTP with no import licence on April 17.

Three days later, the team raided two warehouses at PTP and seized

more crates of beer and liquor, also without an import licence. Two lorry drivers were arrested.

"So, you can imagine our successes nationwide. We do not have a definite figure as operations are ongoing," he said, adding that local and international syndicates were involved and arrests would be made soon.

Subromanian believed that the use

of free zones for smuggling activities had been going on for some time.

He said the new ruling requiring import licences would not hinder genuine businesses.

"We have given them one month to apply for import permits," he said, adding that the ports had also agreed to work with the department to verify such goods at the free zones.

Past smuggling cases through our borders

■ Malaysian drug trafficker dubbed "Mr T" arrested in Thailand for attempting to smuggle in **282kg** of methamphetamine.



Jan 2017

■ **18** rhino horns worth **RM13.6mil** seized at KLIA.



Apr 2017

■ **254** elephant tusks worth **RM7.2mil** seized at KLIA.

Aug 2016

■ **1,001kg** of ivory pieces worth **RM10.01mil** seized at KLIA.



April 2016

■ 42-year-old agent arrested for trying to smuggle in **117,200** cartons of illegal cigarettes valued at **RM13.8mil** through Pasir Gudang Port.

Dec 2015

■ Malaysian coastguards rescue **1,400** tortoises from Sabah bound for Vietnam.

■ **139** human graves discovered near the Malaysia-Thailand border in Perlis believed to be victims of human trafficking.



May 2015



■ Malaysian businessman arrested in Hong Kong following seizure of **3.3** tonnes of pangolin scales smuggled from Africa.

June 2014

■ Malaysian arrested by Thai police for smuggling **51** pieces of African ivory weighing about **135kg**.

Dec 2014